Ministry of
Finance

2002/03
Annual Service Plan Report

BRITISH
COLUMBIA

National Library of Canada Cataloguing in Publication Data
British Columbia. Ministry of Finance.
Annual Service Plan Report. — 2002/03 -

Annual.
Also available on the Internet.
Continues: British Columbia. Ministry of Finance. Annual report (2002).
ISSN 1703-5031.
ISSN 1708-0266 = Annual service plan report - British Columbia. Ministry of Finance.

1. British Columbia. Ministry of Finance - Periodicals. 2. Finance, Public - British Columbia - Periodicals. 3. Fiscal policy - British Columbia - Periodicals. I. Title. II. Title: Ministry of Finance ... annual service plan report.

HJ13.B8B74 352.4'09711'05 C2003-960140-4

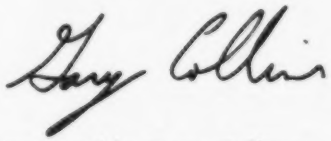
For more information on the British Columbia
Ministry of Finance,
visit our Web site at
http://www.gov.bc.ca/fin/

Published by the Ministry of Finance

103-06423/

Accountability Statement

The 2002/03 Ministry of Finance Annual Service Plan Report was prepared under my direction and in accordance with the *Budget Transparency and Accountability Act*. This report compares the actual results to the expected results identified in the ministry's 2002/03 Service Plan. I am accountable for the ministry's results and the basis on which they have been reported.



Honourable Gary Collins
Minister of Finance

June 16, 2003

BRITISH COLUMBIA

Ministry of Finance

The fiscal year 2002/03 — the first complete year in the government's mandate — was a significant one in terms of challenges, goals and achievements. The Ministry of Finance, and the government as a whole, introduced important changes to how government does business, and, perhaps more importantly, how government is held accountable to the people of British Columbia.

Guided by first-ever three-year service plans for all ministries and Crown corporations, the government confirmed its commitment to restoring sound fiscal management and balancing the budget beginning in 2004/05, while protecting priorities such as health care and education.

The key highlight for the year is that the fiscal plan is on track and ahead of schedule. We are meeting our *New Era* commitments to revitalize the economy, increase public accountability and transparency, direct taxpayers' dollars to where they are needed most, and balance the provincial budget as planned.

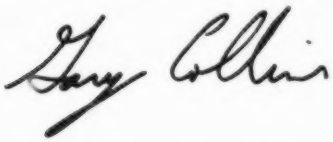
The ministry also introduced legislation that puts British Columbia at the forefront for public accountability in the country. The *Balanced Budget and Ministerial Accountability Act* ties Cabinet ministers' salaries directly to budget and performance targets, bringing an unprecedented level of accountability to top-level government decision making. All ministers, ministers of state and the Premier himself now begin the year with 20 per cent of their Cabinet salaries held back, and must earn back that portion by meeting individual and overall budget targets. I am proud to say that all ministries closed the fiscal year with their operating budgets on or under budget. At the same time, we did not need to use the $750 million forecast allowance and accessed about half of the contingencies vote because of unforeseen circumstances or opportunities to advance service plan priorities.

An update to the *Auditor General Act* modernized that legislation, confirming the independence of the auditor general and providing the mechanisms required to effectively carry out these responsibilities. The new *Business Corporations Act* creates more flexibility and cuts red tape for businesses, to help attract new incorporations to the province. The capital asset management framework and Partnerships British Columbia, also launched this year, will help guide government to deliver innovative, effective, efficient public infrastructure and services to British Columbians, especially through public-private partnerships.

These are only a few of the highlights. Much work remains to be done. However, throughout the year, small businesses, investors, economic forecasters, ratings agencies, municipal leaders and citizens repeatedly said to us, "Stay the course." After the first full year of the

government's phased approach to setting B.C.'s fiscal house in order, one thing is clear: our plan is working.

I would like to acknowledge the dedication and hard work of all Ministry of Finance employees, borne out in the year's substantial achievements. We will continue to work responsibly to restore sound fiscal management and open, accountable financial reporting for the long-term economic good of all British Columbians.



Honourable Gary Collins
Minister of Finance

June 16, 2003

TABLE OF CONTENTS

Accountability Statement III

Message from the Minister V

Year-at-a-Glance Highlights and Performance Summary 3

Ministry Role and Services 5

- **Ministry Vision, Mission and Values** 5
- **Ministry Operating Context** 6
- **Update on *New Era* Commitments** 9
- **Core Business Areas** 10

Performance Reporting 14

- **Ministry Goals, Objectives, Key Strategies, Core Business Areas and Results** 14
- **Deregulation** 24

Report on Resources 26

Summary Reports on Other Planning Processes 28

- **Human Resource Management Plan** 28
- **Information Management Resource Plan** 28

Appendices 29

- **List of Crowns, Agencies, Boards and Commissions** 29
- **List of Legislation Under the Jurisdiction of the Minister of Finance** 29
- **Linkage of Core Business Areas to Ministry Programs** 31

Year-at-a-Glance Highlights

Over the past year the Ministry of Finance has made significant progress in implementing *New Era* commitments and meeting government's goals: a strong, vibrant provincial economy with a supportive social infrastructure, and safe, healthy communities and a sustainable environment. The ministry's achievements in 2002/03 include:

- The government's fiscal plan is on track and ahead of schedule.
  - — Year-end provincial deficit was $3.169 billion, or 28 per cent lower than forecast in Budget 2002.
  - — Savings from lower debt costs and ministry under spending were redirected to priority initiatives such as forestry restructuring, health care and education.
  - — The $750 million forecast allowance put in place to manage risks associated with unforeseen circumstances was not needed.
  - — About half of the $210 million contingencies vote remains unspent.
- The transition to full implementation of Generally Accepted Accounting Principles (GAAP) by 2004/05 is on track.
  - — Revised the Estimates to provide stronger linkages to outputs and outcomes in the Service Plan.
  - — Worked with the Office of the Auditor General and the independent Accounting Policy Advisory Committee to determine the government reporting entity under GAAP.
  - — The Public Sector Accounting Board's reporting model changed, which confirmed British Columbia's expense-based reporting.
- Significant progress was made in rebuilding the province's economy by putting in place a competitive tax structure, reducing regulation and improving infrastructure.
  - — Small business tax rate threshold increased to $300,000 from $200,000.
  - — Implemented a new *Business Corporation Act* to streamline the establishment and operation of business in the province.
  - — Implemented new capital management framework and established Partnerships British Columbia to encourage Public/Private partnerships to improve health care, education and transportation infrastructure.
- Improved accountability and financial reporting.
  - — First ever three-year service plans for ministries and Crown corporations were released with Budget 2002.
  - — New *Auditor General Act* passed.
  - — 2001/02 Public Accounts were released ahead of target and earlier than eight other provinces.
- Progress was made in implementing public sector compensation plans that are affordable and reflect the reality of the province's economic and fiscal circumstances.
- Significant collective agreements were achieved with British Columbia Hydro and four of the province's universities.

Performance Summary

The following table outlines the ministry's success in achieving the performance measures established when *Service Plan 2002/03 – 2004/05* was issued in February 2002. In summary, the ministry met the performance target in 11 areas and fell short of its objectives in four areas.

Core Business Area	Performance Measure	2002/03 Target	Was the target achieved?
Provide advice to support government's financial and economic development objectives	Achieve annual targets for the provincial budget	$4.4 billion deficit	✓
	Number of P3/ASD projects initiated with financing in place	10	×
	Provincial ranking of personal income tax rates for the bottom two tax brackets	Lowest	✓
	Provincial ranking of the personal marginal income tax rate	In the lowest 3	✓
	Number of regulatory requirements	Reduce to 58,000	✓
Effective financial management and regulation	Rank relative to other provinces in growth of real GDP per capita (Stats Canada)	Top 5	×
	Provincial credit rating	AA-	✓
	Compared to other provinces: Debt to GDP ratio Debt service costs (cents per revenue dollar)	 In the lowest 3 2nd lowest	 ✓ ×
	Percentage of company incorporations and registrations filed electronically	75%	✓
	Incremental savings from self insurance	$25 million	✓
Comprehensive, timely and transparent financial reporting	Full implementation of GAAP	Partial	✓
	Delivery date for annual Public Accounts	July 15	✓
	Percentage of time the corporate financial system is available	98%	✓
Effective executive and administrative support services	Percentage of responses to ministerial correspondence completed within two weeks	80%	×

See the Performance Measurement section for detailed information on performance measures.

Performance Summary

The following table outlines the ministry's success in achieving the performance measures established when *Service Plan 2002/03 – 2004/05* was issued in February 2002. In summary, the ministry met the performance target in 11 areas and fell short of its objectives in four areas.

Core Business Area	Performance Measure	2002/03 Target	Was the target achieved?
Provide advice to support government's financial and economic development objectives	Achieve annual targets for the provincial budget	$4.4 billion deficit	✓
	Number of P3/ASD projects initiated with financing in place	10	×
	Provincial ranking of personal income tax rates for the bottom two tax brackets	Lowest	✓
	Provincial ranking of the personal marginal income tax rate	In the lowest 3	✓
	Number of regulatory requirements	Reduce to 58,000	✓
Effective financial management and regulation	Rank relative to other provinces in growth of real GDP per capita (Stats Canada)	Top 5	×
	Provincial credit rating	AA-	✓
	Compared to other provinces: Debt to GDP ratio Debt service costs (cents per revenue dollar)	 In the lowest 3 2nd lowest	 ✓ ×
	Percentage of company incorporations and registrations filed electronically	75%	✓
	Incremental savings from self insurance	$25 million	✓
Comprehensive, timely and transparent financial reporting	Full implementation of GAAP	Partial	✓
	Delivery date for annual Public Accounts	July 15	✓
	Percentage of time the corporate financial system is available	98%	✓
Effective executive and administrative support services	Percentage of responses to ministerial correspondence completed within two weeks	80%	×

See the Performance Measurement section for detailed information on performance measures.

Ministry Role and Services

Introduction

The Ministry of Finance plays a pivotal role in the establishment, implementation and review of government's economic, fiscal and taxation policies and initiatives. The ministry develops, manages and monitors government's three-year fiscal plan and serves as the province's banker, accountant, risk and debt manager, major capital project overseer, and registrar of corporate assets, personal property and manufactured homes. In addition, the Minister of Finance chairs the Public Sector Employer's Council which helps to co-ordinate labour relations policies and practices across the public sector.

Our clients include Treasury Board, government ministries and agencies, boards and commissions, Crown corporations, businesses, investors and financial-sector agencies. Through its support of government's strategic plan and the *New Era* commitments, the ministry also broadly serves the people of British Columbia.

Ministry Vision, Mission and Values

The following vision, mission and values align closely with and support government's vision and goals as laid out in the Strategic Plan.

Vision

To be a responsive organization that is a model for leadership in promoting sound fiscal management and governance in an open and accountable public-sector environment.

Mission

To develop a sustainable fiscal plan, to prudently manage government finances, and to create a sound policy and regulatory framework that supports the creation of a strong and vibrant economy.

Values

Our Values are:	Our Leadership Philosophy is to:
Accountability	• be accessible and responsive to our clients' needs • measure and report on our performance at all levels • recognize achievement and learn from our mistakes • support a risk-based management system that encourages competency and performance • focus resources and analysis on those activities that present the greatest opportunities or pose the greatest risk to the government's fiscal and economic plan
Innovation	• explore new partnerships and ideas about how we do business • embrace technological change and capture new opportunities • make strategic investments in our people
Respect and Integrity	• focus on our customers and clients • provide leadership and encourage teamwork • value diversity and differences of opinion • protect confidentiality of information
Trust and Honesty	• keep our activities and outputs open and transparent • respond to feedback from the public and our clients • ensure clear and open communication

Ministry Operating Context

Various economic, social and technological factors in the operating environment impacted the ministry as it managed government's three-year fiscal plan. To deal with these factors a number of strategies were utilized including the detailed monitoring and quarterly reporting of spending in ministries, a $210 million contingencies vote, a $750 million forecast allowance, presentations on the *Balanced Budget and Ministerial Accountability Act*, and the implementation of Enterprise-wide Risk Management (ERM) practices.

Capacity Building

The ministry sponsored ERM is an important tool across government for improving decision-making to manage risks and realize opportunities. Implementation of risk management has begun to provide the ministry and other organizations with enhanced capacities in the areas of policy making and decision making. As the ERM initiative matures the ministry will continue to emphasize:

- decision making that incorporates risk and opportunity assessments
- establishment of risk management techniques based upon best practices
- organization of the ministry to better manage risk
- development of essential skill sets
- common standards for quality and consistency of risk management practices

Risks and Opportunities

The following key internal and external factors impacted the ministry over the past year. While a number of these factors were beyond the control of the ministry, we worked to identify the risks and adjust strategies accordingly.

External Factors

Economic Environment: The British Columbia economy grew 1.8 per cent in 2002, after a 0.2 per cent decline in 2001. Growth was mainly due to increased domestic activity. Consumer spending, which accounts for about two-thirds of all economic activity in the province, benefited from continued low interest rates, growth in employment and federal and provincial tax cuts. Domestic demand remained relatively robust with housing starts and retail sales recording significant annual increases. British Columbia's export sector showed fairly week growth at 0.8 per cent in 2002, due largely to a relatively weak U.S. market as well as declines in key commodity prices such as lumber, pulp and natural gas.

Risk Strategies	A forecast allowance of $750 million was included in the 2002/03 budget to accommodate unforeseen pressures affecting the bottom line. The ministry also met with ministries to help them meet their financial targets and restructuring goals, and to identify and monitor risks to the three year fiscal plan to allow for early mitigation/ correction strategies. Certain ministries with particular budget challenges met monthly with the Minister of Finance, and more frequently at the staff level to discuss the challenges and progress in dealing with them.
Outcomes	Since the February 19, 2002 budget, revenue, spending and Crown corporation forecasts have, in aggregate, stayed close to or ahead of budget as significant changes to individual elements have largely offset each other. The $750 million forecast allowance was not needed and about half of the $210 million Contingencies budget remains unspent.

Globalization: The continued globalization of economic and financial markets increased international competition for investment. Ontario and Alberta, for example, announced plans to continue with further business tax reductions to attract investment and encourage economic development.

Risk Strategies	The ministry worked with partner organizations to identify opportunities to reduce regulation and attract investment for targeted sectors including forestry, transportation, health care and information technology infrastructure.
Outcomes	The province substantially improved its competitiveness due to lower personal and corporate income tax rates. After cutting personal income taxes by 25 per cent, the overall level of taxes for British Columbia families is the second lowest in the country.

Improved Service: British Columbians expect their government to be more responsive, accessible and cost effective.

Risk Strategies	A number of cross-government initiatives including service planning and performance management were led by the ministry to encourage greater accountability and emphasis upon performance and demonstrated value. The ministry also adopted new information management technologies to reduce costs and improve the quality and speed of service.
Outcomes	A number of information management initiatives were undertaken including enhancements to the corporate accounting system, electronic banking and the personal property registry. Increased focus was placed on the responsiveness of the ministry's communication with British Columbians.

Internal Factors

Streamlined Government: Government's legislated commitment to balance the budget beginning in 2004/05 and the Core Services Review encouraged an increased focus on streamlined and efficient delivery of programs and services.

Risk Strategies	The ministry has continued to focus upon those activities that fall within its mandate and support the government's strategic plan. Areas of the ministry not core to its activities were transferred to other organizations as part of a larger government restructuring. Continued integration of performance management practices into the ministry's core business areas was also pursued.
Outcomes	Business Partnerships and Capital Division were transferred to Partnerships British Columbia. The Corporate Accounting System was moved to the Ministry of Management Services and the Unclaimed Property Office was transferred to the Vancouver Foundation.

Real Transparency and Accountability in Financial Reporting: Expansion of the government reporting entity to include schools, universities, colleges and health organizations, and government's commitment to fully implement GAAP by 2004/05 have challenged the affected ministries. These initiatives are among the first of their kind in Canada and required specialized knowledge and skill sets.

Risk Strategies	The ministry established various working groups involving the relevant ministries and agencies to plan for timely and complete implementation. Staff worked closely with partner organizations, the Office of the Auditor General, the Independent Accounting Policy Advisory Committee and accounting standards boards to identify necessary changes to the budget, financial statements and management frameworks. The budget presentation was changed in February 2002 to conform to GAAP.
Outcomes	Full implementation of GAAP by 2004/05 and the expanded reporting entity is on schedule and will impact the government's financial reports and those of the organizations rolled into the government reporting entity.

Update on *New Era* Commitments

The Ministry of Finance plays a leading role in many of government's *New Era* commitments related to:

- revitalizing the economy,
- restoring sound fiscal management, and
- ensuring funding for government priorities that put patients, students and people in need first

The following describes the ministry's progress in 2002/03 in relation to *New Era* commitments.

Honestly balance the budget, without cutting funding for health care or education.	On February 18, 2003, government produced its second three-year fiscal plan showing it is on track to balance the budget annually beginning in 2004/05. Subsequent confirmation of additional funding from the federal government for health programs led to an amendment to the fiscal plan to increase both revenues and expenses by $1.3 billion over the next three years. The budget for the Ministry of Advanced Education was protected and the budget for the Ministry of Education increased slightly over the three-year fiscal plan.

Establish service plans that include measurable performance standards and targets for all programs that are annually audited and published, for all taxpayers to see.	The second series of three-year service plans for all ministries and Crown corporations was released on February 18, 2003 with the provincial budget. Work is ongoing between government and the Office of the Auditor General to develop reporting principles that will guide the assessment of service plans.
Phase out taxes on investment and productivity to stimulate economic growth and job creation, in keeping with our commitment to balance the budget and protect health care and education funding.	Budget 2003 included several tax measures to improve competitiveness including: funding for labour-sponsored venture capital tax credits; an equity tax credit for new media; enhanced regional film incentives; additional film tax credits to encourage digital animation and special effects; extension of the mining exploration tax credit; introduction of a new book publishing tax credit; and an increase in the corporation capital tax threshold from $5 million to $10 million for small financial institutions.

Core Business Areas

The ministry listed four core business areas in *Service Plan 2002/03 – 2004/05*. The next iteration, *Service Plan 2003/04 – 2005/06*, has aligned core business areas with the Estimates to allow for improved reporting in subsequent years. A table is included in the Appendices that links the core business areas to the ministry's programs and associated funding.

Core Business Area 1: Provide advice to support government's financial and economic objectives

The ministry assists government in reaching informed decisions by providing advice and support to the Minister of Finance, Treasury Board, Government Caucus Committees and Cabinet on financial, social, economic and tax policy issues along with intergovernmental fiscal arrangements. The ministry provides support to ministries and agencies for policy development and budget planning, and consolidates the capital plans of ministries, Crown corporations and agencies to enable government to manage its capital program within its fiscal framework. The Ministry of Finance also provides strategic advice and support for public sector labour relations.

Key Results/Outputs

- Developed a three-year fiscal plan to balance the budget annually beginning in 2004/05
- The province's annual operating deficit for the year ended March 31, 2003 was $3.169 billion, $1.231 billion less than budget. The overall provincial debt at March 31, 2003 was $4.171 billion less than planned

- The province maintained its competitive tax and business environment by ensuring it had the lowest personal income tax rate for the bottom two tax brackets and staying among the lowest three provinces in ranking of the top marginal personal income tax rate.
- Created *Partnerships British Columbia* to identify and facilitate public/private partnership opportunities in the delivery of public services and infrastructure, recognizing the ministry's commitment to fostering innovative service delivery solutions.
- Established a new capital asset management framework to foster innovative and affordable infrastructure projects.
- Realized $209 million in debt service savings for the government operating debt portfolio in 2002/03.
- Developed and released Budget 2003 on February 18, 2003 showing the fiscal plan is on target and ahead of schedule for 2002/03.
- Continued coordination of 2002/03 to 2005/06 collective bargaining mandate that will hold general wage increases to zero per cent, but still provide public sector employers with opportunities to address labour market issues, productivity efficiencies and ensure that agreements are consistent with government's polices. Significant agreements have been reached under this mandate in the past year at BC Hydro and at all four of B.C.'s universities.
- A new legislative framework was put in place for public sector executive compensation that will improve public accountability and see the maximum executive severance reduced from 24 to 18 months.

Core Business Area 2: Effective financial management and regulation

The Ministry of Finance ensures prudent management of taxpayer funds and the development of a regulatory environment that promotes investment. The ministry provides corporate and personal property registration services to support business in the province, manages government cash flows and debt to maximize investment returns and to minimize interest costs, provides a financial management policy framework for government, provides a Corporate Accounting and Reporting System for government and provides internal audit services to support ministry and cross government activities. The ministry also provides insurance, risk mitigation and business continuation planning services to the public sector.

Key Results/Outputs

- Achieved a stable outlook from the three credit rating agencies.
- Completed work to simplify the financial management policy framework. Consolidated three manuals into one, thereby achieving policy volume reductions of 75 per cent, which improves accessibility and understanding of the core government policies and practices.

- Developed the new *Business Corporations Act*, and implemented phase one of electronic corporate registrations by amendments to the current *Company Act*.
- Maintained low cost bank services at 66 per cent of the industry average rate for large corporate clients.
- Implemented 10 electronic payment services, which resulted in an online payment system for British Columbians, support for ministry electronic service delivery initiatives, administrative efficiencies and lower costs for government.
- Introduced the Enterprise Wide Risk Management program and delivered training to more than 2,000 ministry decision makers across government.
- Implemented the Oracle Fixed Assets module as part of the Corporate Accounting System to improve capital asset accounting and reporting.
- Released consultation papers to seek public input regarding updating financial services and real estate sector legislation.

Core Business Area 3: Comprehensive, timely and transparent financial reporting

The Ministry of Finance produces financial and economic reports to assist the public, investors and credit rating agencies in understanding government's fiscal position. These reports include the Budget, Three-Year Service Plan, the Estimates, Quarterly Reports, the Budget consultation document, the Financial and Economic Review, Public Accounts and Debt Statistics reports.

Key Results/Outputs

- Released three Quarterly Reports with full year forecasts.
- Led the development and introduction of the new *Auditor General Act*, which moves the province's auditing practices to the forefront in Canada and improves accountability and openness.
- Released the Public Accounts on July 11, 2002, two weeks earlier than the previous year, which exceeded the target date set of July 15 and the legislated target of August 31. This time frame resulted in British Columbia's Public Accounts being released ahead of eight other provinces.
- Published budget consultation document, including a three-year fiscal overview.
- Made all financial reports, including supplementary materials, available on the Internet.
- In concert with the independent Accounting Policy Advisory Committee, reviewed government's reporting entity in anticipation of the move to GAAP in 2004/05. Government has now committed to include schools, universities, colleges and health authorities effective fiscal 2004/05.
- In February 2003, the Minister of Finance received a leadership award from the Canadian Institute of Chartered Accountants for promoting the implementation of generally accepted accounting policies through legislation as part of the *Budget Transparency and Accountability Act*.

Core Business Area 4: Effective executive and administrative support services

The Ministry of Finance provides support to the Minister's and Deputy Minister's offices as well as strategic support to ministry operations, programs and external organizations in the areas of finance, human resources, information management, and information access and records services.

Key Results/Outputs

- Operated within budget during 2002/03 and met or exceeded its performance targets in eleven of fifteen areas.
- Implemented Enterprise-wide Risk Management program within the ministry.
- Completed staff survey and began implementation of recommendations addressing human resources issues to develop the Human Resources Management Plan.
- Improved timeliness of the ministry's response to inquiries from the public.

Performance Reporting

Ministry Goals, Objectives, Key Strategies, Core Business Areas and Results

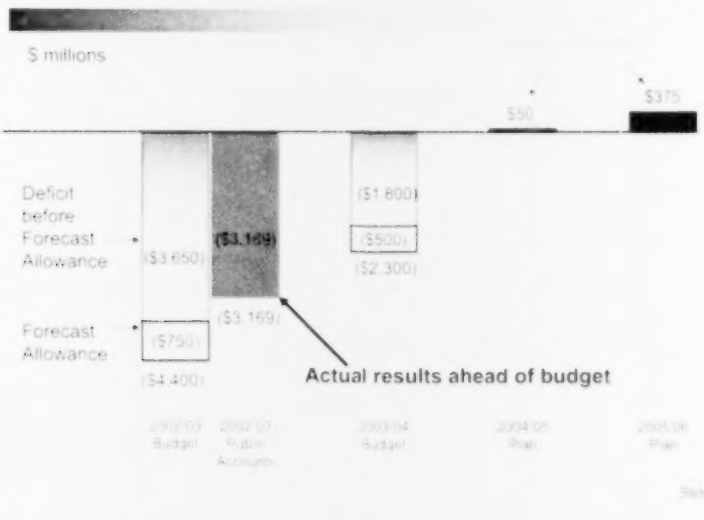
This section provides information on the achievements and performance of the ministry's four Core Business Areas in the context of associated goals and objectives. The performance measures and targets included in last year's service plan have been updated to include the actual results achieved, rationale for the measure and current status of the measure in the ministry's *Service Plan 2003/04 – 2005/06*.

Core Business Area 1: Provide advice to support government's financial and economic objectives

Goal/Objective: Balance provincial budget beginning in 2004/05

Performance Measure: Achieve annual targets for the provincial budget				
Rationale:	The achievement of this goal indicates government's plan to balance the provincial budget beginning in 2004/05 is on track.			
Measure Status:	No change in the measure in *Service Plan 2003/04 – 2005/06*.			
2001/02 Baseline	**2002/03 Target**	**2002/03 Actual**	**Variance**	**Achieved**
N/A	$4.4 billion deficit	$3.169 billion deficit	$1.231 billion ahead of target	Yes

Public Accounts 2002/03 - Fiscal plan on track



Performance Reporting

Ministry Goals, Objectives, Key Strategies, Core Business Areas and Results

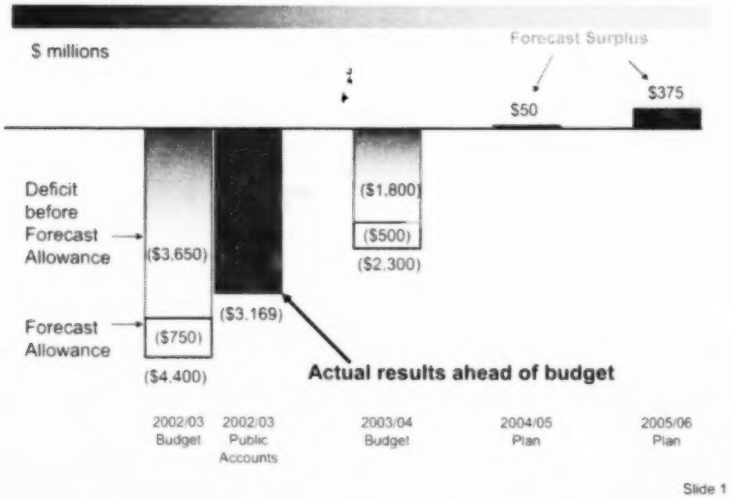
This section provides information on the achievements and performance of the ministry's four Core Business Areas in the context of associated goals and objectives. The performance measures and targets included in last year's service plan have been updated to include the actual results achieved, rationale for the measure and current status of the measure in the ministry's *Service Plan 2003/04 – 2005/06*.

Core Business Area 1: Provide advice to support government's financial and economic objectives

Goal/Objective: Balance provincial budget beginning in 2004/05

Performance Measure: Achieve annual targets for the provincial budget				
Rationale:	The achievement of this goal indicates government's plan to balance the provincial budget beginning in 2004/05 is on track.			
Measure Status:	No change in the measure in *Service Plan 2003/04 – 2005/06*.			
2001/02 Baseline	**2002/03 Target**	**2002/03 Actual**	**Variance**	**Achieved**
N/A	$4.4 billion deficit	$3.169 billion deficit	$1.231 billion ahead of target	Yes

Public Accounts 2002/03 - Fiscal plan on track



Goal/Objective: Increase accountability and performance in the management of capital infrastructure by encouraging public private partnerships (P3s) and alternative service delivery (ASD)

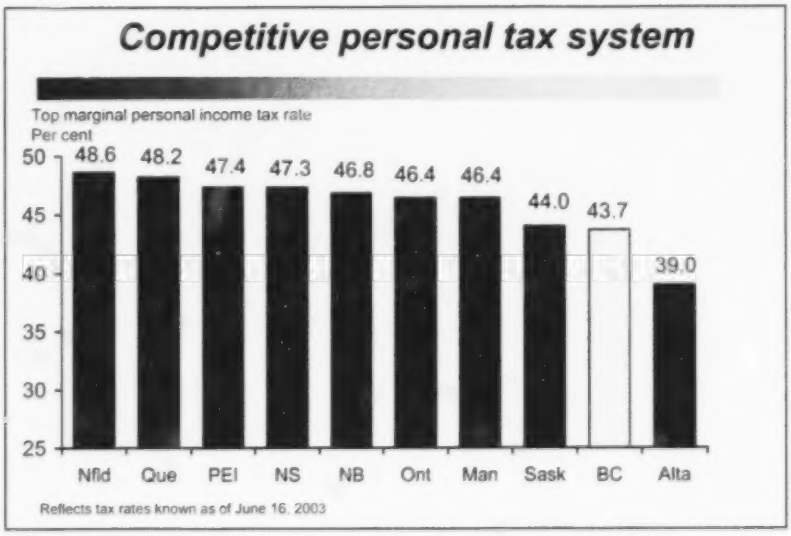
Performance Measure: Number of P3/ASD projects initiated with financing in place	
Rationale:	The number of P3/ASD projects that have been initiated with financing in place will be a key measure of the success of the government's goal to provide public infrastructure and services in an effective and affordable way, while protecting the interests of taxpayers. While the achievement of the goal has not been as rapid as anticipated, significant progress has been made. On May 30, 2002 a new capital asset management framework was established to foster innovative and affordable infrastructure projects. The framework ensures that all capital projects are reviewed in an appropriate manner. At the same time, the government conducted a thorough review of how other jurisdictions approached public private partnerships. Partnerships British Columbia, a public company, was also formed in May 2002 to promote and support public private partnership projects and to identify opportunities for maximizing the value of capital projects used by the public. While the initial goal was not achieved, the research and planning undertaken to date has resulted in British Columbia being recognized as a leader in the development of innovative capital infrastructure projects. To date, five active P3 projects have been initiated. An additional five potential projects have been identified and are under development. It is expected that three Requests for Proposals and two Requests for Quotes will be issued in 2003/04.
Measure Status:	Discontinued measure in the *Service Plan 2003/04 – 2005/06*. Areas of the ministry responsible for encouraging P3s in the British Columbia public sector were transferred to Partnerships British Columbia in May 2002 and the Ministry of Management Services has been identified as the lead on Alternative Service Delivery initiatives. Information on Partnerships British Columbia's 2003/04 Service Plan is available at: http://www.partnershipsbc.ca/Main/print/PBC_ServicePlan.pdf Information on the Ministry of Management Services is available at: http://www.gov.bc.ca/mser

2001/02 Baseline	2002/03 Target	2002/03 Actual	Variance	Achieved
0	10	0	10	No

Goal/Objective: Establish a competitive tax and business environment that encourages economic growth

Performance Measure: Provincial ranking of personal income tax rates for the bottom two tax brackets				
Rationale:	This performance measure evaluates government's success in achieving its *New Era* commitment to cut the base personal income tax rate to the lowest rate of any province in Canada for the bottom two tax brackets on the first $60,000 of income. Keeping these tax rates low is consistent with the objective of maintaining a tax system that is competitive and that encourages investment and innovation.			
Measure Status:	No change in the measure in *Service Plan 2003/04 – 2005/06*			
2001/02 Baseline	**2002/03 Target**	**2002/03 Actual**	**Variance**	**Achieved**
Lowest	Lowest	Lowest	0	Yes

Performance Measure: Provincial ranking of the personal marginal tax rate				
Rationale:	Comparisons of provincial top marginal personal income tax rates are a key component in the decision-making processes of investors in choosing where to invest, and companies in choosing where to locate.			
Measure Status:	No change in the measure in *Service Plan 2003/04 – 2005/06*			
2001/02 Baseline	**2002/03 Target**	**2002/03 Actual**	**Variance**	**Achieved**
2nd Lowest	In the lowest 3	2nd Lowest	0	Yes



Performance Measure: Number of regulatory requirements				
Rationale:	Streamlining the regulatory burden faced by business improves competitiveness and supports economic growth.			
Update:	As a result of changes made by the Deregulation Office to correct counting errors and omissions, the baseline was adjusted from 68,337 to 65,490 and the 2002/03 target was reduced from 66,000 to 58,000.			
Measure Status:	Revised measure in *Service Plan 2003/04 – 2005/06*. The baseline and targets provided in the *Service Plan 2002/03 – 2004/05* included the regulatory requirements of both the Ministry of Finance and the Insurance Corporation of British Columbia (ICBC). To improve transparency and accountability the measure has been segregated by the responsible entity in the *Service Plan 2003/04 – 2005/06*.			
2001/02 Baseline	**2002/03 Target**	**2002/03 Actual**	**Variance**	**Achieved**
65,490 (revised)	58,000 (revised)	57,333	Beat target by 667 and reduced overall by 8,157	Yes

Goal/Objective: Effective management of public-sector compensation

Performance Measure: Under development	
Rationale:	This performance measure was under development at the time the *Service Plan 2002/03 – 2004/05* was issued. Over the course of the last year the ministry has identified two new performance measures related to this objective. Together, these performance measures provide effective indicators of management of public sector compensation costs and the provincial labour market environment.
Measure Status:	New measures identified in *Service Plan 2003/04 – 2005/06*: 1. Compensation cost changes over 2002/03 compensation base (excluding previously existing contracts). 2. Days lost due to labour disruption in the British Columbia Public Sector Information on these measures including baseline data for 2002/03, future three year targets and related strategies is included in the Ministry of Finance *Service Plan 2003/04 – 2005/06* available at: http://www.bcbudget.gov.bc.ca/sp2003/fin/

Core Business Area 2: Effective financial management and regulation

Goal/Objective: Support business development

Performance Measure: Number of regulatory requirements				
Rationale:	This performance measure was intended to demonstrate the performance of the province's overall economic growth. As described below, the measure has been dropped in the current service plan and is now included as an overall government measure in the Provincial Government Strategic Plan 2003/04 - 2005/06.			
Update:	The 2001/02 baseline has been updated to reflect Statistics Canada revisions in November 2002. Statistics Canada results are for the calendar year which ends in the fiscal year. The initial 2002 results were released.			
Measure Status:	Discontinued measure in *Service Plan 2003/04 - 2005/06* The Government Strategic Plan now includes this measure and has established a target of a 5th place rank in Canada in the growth of real GDP per capita, from the 2001 baseline rank of 10th place. The B.C. Progress Board target is to achieve 1st or 2nd place ranking in Canada by 2010. The Provincial Government Strategic Plan is available at http://www.bcbudget.gov.bc.ca/			
2001/02 Baseline	**2002/03 Target**	**2002/03 Actual**	**Variance**	**Achieved**
10th (revised from 6th*)	Top 5	8th	3	No
*Revised due to Stats Canada change in methodology				

Goal/Objective: Effective debt management

Performance Measure: Provincial credit rating				
Rationale:	Credit ratings reflect the level of assurance in sustainability of the government's fiscal plan. A strong credit rating reduces the province's cost of borrowing and improves access to domestic and international capital markets. Credit rating agencies base their evaluation on a number of considerations including debt as a percentage of Gross Domestic Product (GDP) and the debt service costs as a percentage of gross revenues. Accordingly, this measure reflects the health of the provincial economy, and the sustainability of government spending and current costs of financing the debt and capital projects.			
Measure Status:	Revised measure in *Service Plan 2003/04 – 2005/06* The credit rating source has been revised from Standard & Poor's (S&P) to Moody's in *Service Plan 2003/04 – 2005/06* because the inter-provincial comparators used by Moody's are more similar in definition to the measures used by the province and the Office of the Auditor General. The results of Moody's analysis are also available earlier which contributes to more timely reporting. It should be noted that the following S&P's rankings for 2002/03 are based on forecasts included in the most recent budgets released by the provinces. These forecasts are utilized by rating agencies because most provincial governments do not release audited financial statements until later in the following fiscal year. While British Columbia releases its Public Accounts in late June, just three months after year end, the comparative data for most other provinces is usually not available for rating agencies to review within the same timeframe. Rankings based on final year end results for all provinces should be available in Fall 2003. The issue of availability of actual results *vs* budget forecasts also applies to the next two comparative performance measures: Debt to GDP Ratio and Debt Service Costs — Cents per Revenue Dollar.			
2001/02 Baseline	**2002/03 Target**	**2002/03 Actual**	**Variance**	**Achieved**
AA-	AA-	AA-	0	Yes

Performance Measure: Debt to GDP ratio (Compared to other provinces)	
Rationale:	Maintaining a relatively low taxpayer-supported GDP ratio signifies a healthy balance sheet and manageable debt levels. Rating agencies rely on this balance-sheet measure as one among a number of important credit rating considerations.
Update:	It should be noted that the following Dominion Bond Rating Service's (DBRS) rankings for 2002/03 are based on forecasts included in the most recent budgets released by provinces. These forecasts are utilized by DBRS for the same reasons outlined in the previous measure. Actual rankings for all provinces should be available in Fall 2003. While British Columbia's debt at March 31, 2003 is substantially lower than forecast in the February 18 budget, the overall impact on the comparison with other provinces cannot be determined until the audited financial results from all jurisdictions are analyzed by DBRS.
Measure Status:	Revised measure in *Service Plan 2003/04 – 2005/06* On a go-forward basis, the source has been revised from DBRS to Moody's in *Service Plan 2003/04 – 2005/06* for greater consistency with the definitions used by the province, the Office of the Auditor General and the other measures associated with this objective.

2001/02 Baseline	2002/03 Target	2002/03 Actual	Variance	Achieved
2nd Lowest	In the lowest 3	2nd Lowest	0	Yes

Performance Measure: Debt service costs — cents per revenue dollar (Compared to other provinces)	
Rationale:	A relatively low ratio of taxpayer-supported debt service cost to taxpayer-supported revenues or "interest bite" demonstrates fiscal prudence and an affordable debt burden. Rating agencies will rely on this measure as an important credit rating consideration.
Update:	It should be noted that the following Dominion Bond Rating Service's (DBRS) rankings for 2002/03 are based on forecasts included in the most recent budgets released by the provinces. These forecasts are utilized by DBRS for the same reasons outlined in the previous two measures. Rankings based on final yearend results for all provinces should be available in Fall 2003. The province's 2002/03 borrowing costs and debt are substantially lower than forecast in the February 18 budget, which may effect the final comparative ranking. The impact of these changes cannot be determined until the audited financial results from all jurisdictions are reviewed by DBRS.
Measure Status:	Revised measure in *Service Plan 2003/04 – 2005/06* On a go-forward basis, the source has been revised from DBRS to Moody's in *Service Plan 2003/04 – 2005/06* for greater consistency with the definitions used by the province, the Office of the Auditor General and the other measures associated with this objective.

2001/02 Baseline	2002/03 Target	2002/03 Actual	Variance	Achieved
3rd Lowest	2nd Lowest	3rd Lowest	Missed target by 1 ranking	No

Goal/Objective: Achieve efficiencies through technological advancements to streamline regulatory burden and financial management practices

Performance Measure: Percentage of company incorporations and registrations filed electronically				
Rationale:	This measure evaluates the ministry's progress in working with stakeholder groups to convert from a paper-based registries system to electronic transactions using the Internet. The benefits from the use of this technology include reduced administrative costs for government, businesses and citizens as well as improved service delivery through real time transactions.			
Measure Status:	No change in the measure in *Service Plan 2003/04 – 2005/06*			
2001/02 Baseline	**2002/03 Target**	**2002/03 Actual**	**Variance**	**Achieved**
60%	75%	77%	Beat target by 2%	Yes

Goal/Objective: Risk-based approach to managing government resources

Performance Measure: Incremental savings from self-insurance				
Rationale:	The annual incremental savings from the self-insurance initiatives of government is a measure of the success of the enterprise wide risk management (ERM) model adopted by government. By adopting a coordinated approach, the government can realize the difference between the costs of business units each obtaining commercial insurance and the costs to those same units when the government sector is aggregated together. This will allow for the pooling of resources and retention or transfer of risks. The result being improving cost management for the business units and savings for government as a whole.			
Measure Status:	Revised measure in *Service Plan 2003/04 – 2005/06* Annual calculations of savings from self-insurance are subject to significant fluctuations from year to year. To overcome this volatility the ministry has revised the measure in the current service plan to reflect a five-year rolling average that offers more accurate trend line reporting.			
2001/02 Baseline	**2002/03 Target**	**2002/03 Actual**	**Variance**	**Achieved**
$350 million (cumulative savings to date)	$25 million	$53 million	Beat target by $28 million	Yes

Core Business Area 3: Comprehensive, timely and transparent financial reporting

Goal/Objective: Meet statutory reporting and budgeting requirements and comply with GAAP

Performance Measure: Full implementation of GAAP				
Rationale:	This measure monitors the phased implementation of the GAAP initiative among ministries and the broader public sector. Currently, British Columbia leads the provinces in the implementation of GAAP and entrenchment of full accrual accounting. The 2004/05 target of full compliance with the standard will be subject to the review and verification by the Office of the Auditor General. For the fiscal year 2001/02 there were three areas that did not comply with GAAP: inclusion of schools, universities, colleges and hospitals in the government reporting entity; expensed-based reporting; and, prepaid capital advances. One of these three, expense-based reporting, will be complied with for the 2002/03 Public Accounts and all will be implemented for the 2004/05 fiscal year.			
Measure Status:	No change in the measure in *Service Plan 2003/04 – 2005/06*			
2001/02 Baseline	**2002/03 Target**	**2002/03 Actual**	**Variance**	**Achieved**
Partial	Partial	Partial	0	Yes

Performance Measure: Delivery date for annual Public Accounts				
Rationale:	This measure monitors the timely release of the Public Accounts. Prompt release supports greater transparency and accountability and ensures that the ministry adheres to its statutory reporting obligations. Early release of information on the province's fiscal and economic status also improves decision making within government and the business community.			
Measure Status:	No change in the measure in *Service Plan 2003/04 – 2005/06*			
2001/02 Baseline	**2002/03 Target**	**2002/03 Actual**	**Variance**	**Achieved**
August 31 (statutory)	July 15	July 11	Improved timeliness by 4 days	Yes

Goal/Objective: Provide a stable operating environment for the corporate financial system across government

Performance Measure: Percentage of time the corporate financial system is available				
Rationale:	The Corporate Accounting System (CAS) initiative provides a suite of corporate financial applications to ministry clients. These clients require a stable and reliable system to effectively process their financial transactions, obtain crucial management and operational information, and make critical supplier payments. Any withdrawal of service or availability during the regularly scheduled hours of operation can impact the ability of ministries to deliver their services.			
Measure Status:	Discontinued measure in *Service Plan 2003/04 – 2005/06* The CAS Initiative has been transferred to Solutions BC, a component of the Ministry of Management Services. Accordingly the Ministry of Finance will no longer report upon the achievement of this performance measure. Information on Solutions BC is available at: http://www.solutionsbcsharedservices.gov.bc.ca/			
2001/02 Baseline	2002/03 Target	2002/03 Actual	Variance	Achieved
95%	98%	99.85%	Beat target by 1.85%	Yes

Core Business Area 4: Effective executive and administrative support services

Goal/Objective: Effective leadership and planning

Performance Measure: Under development	
Rationale:	This performance measure was under development at the time the *Service Plan 2002/03 – 2004/05* was issued. Since the release of the plan the focus of this objective has been revised based upon the results of the ministry employee survey and the updated Human Resources Management Plan. Two new objectives, three performance measures and related three-year targets have since been identified addressing proactive and visionary leadership and a performance-focused workforce. Together these new performance measures will provide indicators of staff development, organizational health and organizational alignment.
Measure Status:	New measures identified in *Service Plan 2003/04 – 2005/06*: 1. Percentage of staff satisfied that leadership learning and development strategies and/or opportunities are available 2. Percentage of staff with a current Employee Performance and Development Plan (EPDP) 3. Percentage of staff who agree that learning and development opportunities are accessible Baseline and target information is available in *Service Plan 2003/04 – 2005/06*

Goal/Objective: Efficient financial and administrative services

Performance Measure: Percentage of responses to ministerial correspondence completed within two weeks				
Rationale:	The ministry's ability to respond to ministerial correspondence within a two week standard ensures that British Columbians receive timely and relevant information in response to their concerns.			
Measure Status:	Revised baseline and targets in *Service Plan 2003/04 – 2005/06* The 2001/02 baseline of 60 per cent included in the *Service Plan 2002/03* was not accurate. Subsequent analysis determined that the baseline for 2001/02 was that 15 per cent of responses to ministerial correspondence were completed within a two week time frame. The ministry fell short of the goal of the 80 per cent response rate within two weeks. It did achieve a 40 per cent response rate within the targeted four weeks and the 80 per cent level was achieved within six weeks.			
2001/02 Baseline	**2002/03 Target**	**2002/03 Actual**	**Variance**	**Achieved**
15% (revised from 60%)	80%	40%	40%	No

Deregulation

In support of government's goal of reducing regulation and red tape that stifles job growth and investment, several initiatives and regulatory reviews have been completed and others are underway. As of March 31, 2003, the Ministry of Finance had realized a net reduction of 6,698 regulatory requirements (a 16.62 per cent reduction from the June 2001 baseline).

With respect to completed regulatory reduction initiatives, the ministry:

- Developed a new *Business Corporations Act* to streamline incorporating a business in British Columbia. The act will replace the outdated *Company Act*, eliminating regulatory overlap, enhancing efficiency and providing greater flexibility for companies. It is expected that the new act, passed October 31, 2002, will be implemented in the fall of 2003.
- Revised the *Personal Property Security Act* regulations to eliminate the inefficiencies of an outdated paper-based system by allowing a more efficient and modern electronic filing system. Clients will be able to discharge registrations and complete most amendments online.
- Removed restrictions on the competitiveness of British Columbia credit unions by expanding the scope of what credit union subsidiaries can do outside the province. Credit unions are no longer restricted to trust, deposit and insurance business, but can now develop non-provincial markets in investment counselling, portfolio management, information services, financial leasing and venture capital.

- Removed barriers to internal trade and competitiveness in the real estate sector by allowing non-residents to become real estate agents in British Columbia, and real estate salespersons to operate part-time in real estate and part-time in other employment.
- Consolidated and updated three policy manuals for government-wide financial management and general administration to provide a more effective, results-based operating framework in government.

Regulatory reduction initiatives underway in 2002/03 include the review of statutes and regulations related to internal government financial management processes, and consideration of the regulatory burden imposed by statutes and regulations that govern the registration of manufactured homes in the province, regulate the province's financial services sector, and regulate the province's real estate sector. These initiatives are ongoing, and further red tape reductions and streamlining initiatives are anticipated in 2003/04 and 2004/05.

Report on Resources

Resource Summary Mirroring the Estimates Vote Structure

Ministry of Finance
2002/03 Resource Summary Mirroring the Estimates Vote Structure

	Estimated	Other Authorizations	Total	Actual	Variance
Ministry of Finance					
Minister's Office	431	—	431	468	(37)
Corporate Services	2,072	—	2,072	1,566	506
Treasury Board Staff	11,092	—	11,092	13,362[1]	(2,270)
Office of the Comptroller General					
Comptroller General Operations	6,401	—	6,401	5,283	1,118
Corporate Accounting System	1	—	1	(350)	351
Internal Audit and Advisory Services	1	—	1	—	1
Provincial Treasury	1	—	1	—	1
Registries	7,216	—	7,216	7,249	(33)
Financial Institutions Commission	1	—	1	(620)	621
Total Operating Expenditures	**27,216**	**—**	**27,216**	**26,958**	**258**
Total Capital Expenditures	**9,689**	**—**	**9,689**	**5,567**	**4,122**
Total FTEs	**559**	**—**	**559**	**492**	**67**
Other Appropriations					
Public Sector Employers Council					
Operating Expenditures	1,939	—	1,939	1,843	96
Capital Expenditures	15	—	15	12	3
FTEs	13	—	13	13	—
BC Family Bonus					
Operating Expenditures	91,000	—	91,000	87,979	3,021
Capital Expenditures	—	—	—	—	—
FTEs	—	—	—	—	—

[1] Includes a $3.1 million grant to Partnership British Columbia to cover costs associated with the development of a partnership arrangement for the operational maintenance of the Coquihalla highway.

	Estimated	Other Authorizations	Total	Actual	Variance
Other Appropriations — *Continued*					
Unclaimed Property Office					
Operating Expenditures	931	8,117[2]	9,048	9,048	—
Capital Expenditures	145	—	145	—	145
FTEs	4	—	4	4	—
Insurance and Risk Management Branch					
Operating Expenditures	16,715	—	16,715	(10,737)[3]	27,452
Capital Expenditures	1,000	—	1,000	411	589
FTEs	28	—	28	29	(1)

[2] Other Authorizations includes costs of transferring Unclaimed Property Office to the non-profit sector.
[3] Actuals include recoveries that were classified as revenues in the *Estimates*.

Summary Reports on Other Planning Processes

Human Resource Management Plan

Ministry Employee Survey

In co-operation with BC Stats, the Human Resource Management branch reviewed and analyzed the results of a ministry-wide employee survey conducted in September 2002. A summary of the results was prepared for executive and formed the basis for the development of the Human Resources Management Plan. This new baseline data provides an opportunity for monitoring change and measuring progress on reaching service plan goals. The results of the survey were communicated to the executive and ministry via our Intranet Web site.

Ministry Human Resource Workshop

The Priorities Workshop conducted in March was used as the model for workshops to be presented to all ministry staff during 2003. The workshop included representatives from all ministry divisions to participate in formulating plans to introduce practical leadership tools.

Information Management Resource Plan

The Ministry of Finance achieved several strategic information technology goals during 2002/03:

- The Corporate Accounting System's i-Expense (employee travel expense reimbursement system) was completed and implemented.
- An application upgrade was completed to allow online access to Certification of Approval service by the ministries of Health Services, Education and Advanced Education.
- Internet Credit Card Payment services were expanded to include BC Stats.
- Improvements to Corporate Annual Reports applications were completed and will allow all companies to file annual reports online either directly or via a service provider on their behalf.
- Improvements to the Personal Property Registry were completed and will allow companies wishing to register encumbrances created against personal property in B.C. to do so electronically.

Appendices

List of Crowns, Agencies, Boards and Commissions

- Accounting Policy Advisory Committee
- Auditor Certification Board
- British Columbia Investment Management Corporation
- Financial Institutions Commission
- Insurance Corporation of British Columbia
- Insurance Council of British Columbia
- Partnerships British Columbia
- Public Sector Employers' Council
- Real Estate Council of British Columbia
- Real Estate Foundation

List of Legislation Administered by the Ministry of Finance

- *Auditor General Act*
- *Balanced Budget and Ministerial Accountability Act*
- *Bonding Act*
- *Budget Transparency and Accountability Act*
- *Business Corporations Act*
- *Capital Financing Authority Repeal and Debt Restructuring Act*
- *Company Act* (except s. 323)
- *Company Clauses Act*
- *Constitution Act*, ss. 25 to 27
- *Cooperative Association Act*
- *Credit Union Incorporation Act*
- *Creditor Assistance Act*
- *Financial Administration Act* (except the powers and duties re: holding, administration and disposal of shares of Duke Point Development Ltd. owned by the government)
- *Financial Information Act*
- *Financial Institutions Act*
- *Industrial Development Act*
- *Insurance (Captive Company) Act*
- *Insurance (Marine) Act*

- *Insurance Act*
- *International Financial Business Act*
- *Manufactured Home Act*
- *Medical and Health Care Services Special Account Act*
- *Ministry of Consumer and Corporate Affairs Act*, ss. 3, 4 (a) in relation to corporate affairs
- *Ministry of Intergovernmental Relations Act*, s. 3
- *Miscellaneous Registrations, 1992 Act*
- *Mortgage Brokers Act*
- *Pacific North Coast Native Cooperative Act*
- *Partnership Act*
- *Pension Agreement Act*
- *Pension Fund Societies Act*
- *Personal Property Security Act*
- *Probate Fee Act*
- *Public Education Labour Relations Act*
- *Public Education Support Staff Collective Bargaining Assistance Act*
- *Public Sector Employers Act*
- *Public Sector Pension Plans Act* (except Part 2)
- *Public Works Agreement Act*
- *Real Estate Act*
- *Repairers Lien Act*
- *Society Act*
- *Special Accounts Appropriation and Control Act* (except ss. 4, 8 and 9)
- *Strata Property Act*
- *Tugboat Worker Lien Act*
- *Unclaimed Property Act*
- *Warehouse Lien Act*
- *Warehouse Receipt Act*
- *Woodworker Lien Act*

Linkage of Core Business Areas to Ministry Programs

The following table illustrates the linkage of core business areas to the ministry's budget as presented in the budget and Public Accounts.

Division	2002/03 Budget Restated ($000)	2002/03 Actuals ($000)	Provide Advice	Financial Management and Regulation	Financial Reporting	Executive and Administrative Support
Corporate Services:						
Ministry Executive	1,313	817	X			X
Financial and Corporate Sector Policy	759	749	X	X		X
Treasury Board Staff	11,092	13,362	X	X	X	X
Office of the Comptroller General	6,403	4,933	X	X	X	X
Provincial Treasury	1	—	X	X	X	X
Registries	7,216	7,249		X		X
Insurance and Risk Management	16,715	(10,737)	X	X		X
Unclaimed Property	9,048	9,048		X		
Financial Institutions Commission	1	(620)		X		
Public Sector Employers' Council	1,939	1,843	X			
BC Family Bonus Program	91,000	87,979		X		

Ministry Executive

Provides the ministry with executive and administrative support, and policy analysis and advice on financial sector issues, corporate sector issues and legislation.

Financial and Corporate Sector Policy Branch

This branch provides the government with policy analysis and advice to support the legislative frameworks governing the regulation of credit unions, trust companies, insurance companies, and the retailing of real estate, insurance, and mortgages in British Columbia. The branch also provides analysis and advice to support the legislative frameworks governing companies, societies, cooperatives, partnerships and condominiums, the use of personal property as collateral, and the imposition of liens on personal property.

The branch coordinates the ministry's non-budget legislation and its participation in the government's deregulation initiative, as well as coordination of appointments to the various agencies, board and commissions that report to the Minister of Finance.

Treasury Board Staff

Under the direction of Treasury Board and the Minister of Finance, TBS works with ministries, Crown corporations and agencies to develop, implement and monitor the province's budget and three-year fiscal plan. TBS monitors risks and opportunities throughout the year and recommends alternative fiscal management strategies to Treasury Board as needed.

TBS also monitors and reports on government's fiscal performance; produces quarterly reports and the budget consultation document; and provides analysis and advice on the financial, economic, taxation and intergovernmental fiscal relations issues presented to the Minister of Finance, Treasury Board, Cabinet, and to government caucus and cabinet committees.

Office of the Comptroller General

The OCG is responsible for defining and monitoring the government's financial management framework, including the accounting and financial policies, auditing and required internal controls, and for preparing the government's Public Accounts. It also ensures the main financial system for government and the government's assets and liabilities are managed in ways that appropriately mitigate risks.

Provincial Treasury

This division manages the borrowing, financing and cash flow requirements for the Province of British Columbia. It also provides expert advice on e-banking services and project finance and corporate restructuring initiatives across the broader public sector.

Registries

This arm of the ministry facilitates the creation and registration of all business entities, non-profit organizations and cooperatives in British Columbia. It maintains registries of security interests (liens) in personal property and of the ownership and location of manufactured homes in the province. It also provides for the operation of the Auditor Certification Board under the *Company Act*.

Insurance and Risk Management Branch

This branch is responsible for developing and operating comprehensive risk management programs, designed to minimize the risks associated with British Columbia's public sector programs, operations and assets. Risk management includes risk transfer, risk financing, risk mitigation and claims/litigation management.

Unclaimed Properties

The Unclaimed Property Office assists the public in locating and recovering their unclaimed financial property from both government and non-government bodies in accordance with British Columbia's *Unclaimed Property Act*. This office was transferred to the Vancouver Foundation effective April 1, 2003.

Financial Institutions Commission

The Financial Institutions Commission is an agency of the provincial government that administers 11 statutes providing regulatory rules for the protection of the public. These regulatory rules are designed to protect depositors and policyholders against insolvency of a trust company, credit union or insurance company; safeguard consumers against improper market conduct in the financial services and real estate industries; and insure credit union deposits and non-equity shares.

Public Sector Employers' Council (PSEC)

PSEC coordinates labour relations policies and practices to foster an effective, efficient public sector. Chaired by the Minister of Finance, the council includes eight ministers or deputy ministers, the Commissioner of the Public Service, and one representative from each of the six public sector employers' associations. The council is supported by the PSEC Secretariat, which ensures effective working relationships with key partners such as Treasury Board Staff, line ministries and other public sector employers.

BC Family Bonus

The BC Family Bonus program is a provincial personal income tax measure administered through the federal Canada Child Tax Benefit system. The program provides monthly payments calculated on the basis of family income and number of children in the family.